LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6754 NOTE PREPARED: Mar 4, 2003 BILL NUMBER: HB 1977 BILL AMENDED: Mar 3, 2003

SUBJECT: Deer Livestock Facilities.

FIRST AUTHOR: Rep. Friend BILL STATUS: As Passed - House

FIRST SPONSOR: Sen. Jackman

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill prohibits the Department of Natural Resources from refusing to grant a game breeder's licence because the game mammal is a whitetail deer. It establishes a permit process to operate a cervidae livestock facility. The bill also provides procedures for the Indiana State Board of Animal Health to issue permits to persons who meet certain requirements. It requires the cervidae livestock facility to be inspected and wild and free ranging cervidae to be removed from the facility before a permit is approved. The bill also provides for penalties.

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) In order to meet the requirements of providing for cervidae livestock facility licensure, the BOAH must do the following: adopt rules setting application fees and various operational standards; forward a copy of the initial application to the county commissioner and any area planning commission or board of zoning appeals where the facility is to be located; inspect the proposed facility; issue the permit; send a renewal application to the facility 60 days prior to the permit's expiration.

The State Board of Animal Health will require additional resources to print forms, communicate with licensees and applicants (phone and mail costs), maintain records of licensees, prepare licenses, and monitor funds submitted. Inspection of the facilities will require additional time from field staff, possibly substantial time, and additional equipment. Field inspections will require travel to any and all parts of the state which will increase the agency's costs for gas, vehicle maintenance, vehicle depreciation, and related travel costs. There will be costs to train agency personnel (time, travel, materials, etc.). The rulemaking required by this bill will take staff time and resources to research, prepare and communicate to the regulated entities and the general public. An additional position may be needed to effectively run the new program. The specific impact on expenditures is unknown. This analysis will be updated when additional information is provided.

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The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. As of February 4, 2003, BOAH has 135 full time positions with four vacancies. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Game Breeder's Licence - Currently, the DNR issues game breeder's licenses to applicants who wish to propagate, possess, buy or sell game mammals, which include whitetail deer. This bill would require the DNR to continue issuing game breeder's licenses for whitetail deer.

Explanation of State Revenues: (Revised) The Board must establish fees for cervidae livestock facilities. The fee for a small operation that is not commercial is \$50. Fees may not exceed \$500. The revenue generated by this provision will depend on the number of applicants for licensure. Revenues would be deposited in the Board's general operating account. As of January 2003, there were approximately 112 privately owned deer herds, confirmed by the BOAH, in the state which could generate \$5,600.

Penalty Provision - Persons who violate provisions of the bill commit a Class B infraction. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class B infraction is \$1,000 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) *Penalty Provision* - If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Board of Animal Health; Department of Natural Resources.

Local Agencies Affected: Trial courts, local law enforcement agencies.

<u>Information Sources:</u> Gary L. Haynes, Director of Legal Affairs, Indiana State Board of Animal Health, (317)-227-0345.

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